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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Special Report

Ghana's Second Republic

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GHANA'S SECOND REPUBLIC

Ghana returns to civilian rule next week after three and a half years under the National Liberation Council (NLC), the army-police junta that ousted Kwame Nkrumah's dictatorial, pro-Communist regime. The new government, which is to operate within the framework of a democratic constitution designed to prevent the rise of another Nkrumah, will be moderate and generally pro-Western. Its leader is Prime Minister Kofi Busia, a 56-year-old former sociology professor and long-time enemy of the dictator. His party's smashing victory in last month's parliamentary elections—Ghana's first free elections in 13 years—not only dealt what appears to be a final blow to Nkrumahism, but has decidedly eased the transition from military to civilian rule.

The elections did excite Ghana's normally muted tribal tensions, however, thereby posing a potential problem for the new government. Long-term prospects for stability are also clouded by a stagnant economy, enormous external debts, and rising unemployment. Busia's government will initially have to devote much of its energy to solving these problems, and its success or failure will be crucial to its staying power.

Although the NLC now formally passes from the scene, its three top members will continue—at least for a while—to play an important governing role: a last-minute addition to the constitution temporarily entrusts them with the powers of the presidency. This arrangement, which continues NLC chairman Brigadier A. A. Afrifa as head of state, was deemed necessary to help smooth the transition. But it also points out to the country's volatile civilian politicians the basic fact of political life for the foreseeable future—the military will remain the final arbiter of power.

THE NLC INTERREGNUM

The National Liberation Council, when it seized power in February 1966, quickly dismantled Nkrumah's authoritarian state, but did not indulge in punitive excesses. Nkrumah's preventive detention statutes were scrapped, numerous political prisoners were released, and restrictions on the press were lifted. The extensive apparatus of Nkrumah's Convention Peoples Party, which had become a machine for his personal aggrandizement, was decreed out of existence, with little evidence of regret by most Ghanaians. Commissions of inquiry were established to root out wrongdoers and, throughout its tenure, the NLC vigorously prosecuted cases based on com-

mission findings. Although some of Nkrumah's closest associates were held in "protective custody" without benefit of normal judicial procedures, by the time the NLC was ready to hand back power, all political prisoners had been released except those convicted by the courts.

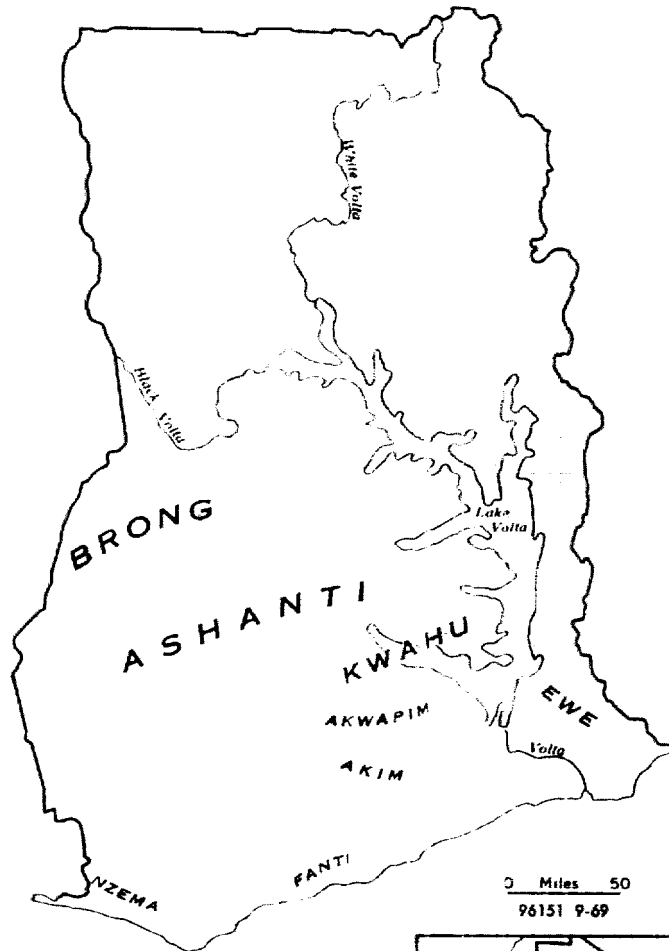
Economically, the NLC faced more difficult problems. Instead of the large foreign exchange holdings (\$500 million) with which Ghana began its independence nine years earlier, the junta found a virtually empty treasury and nearly \$800 million of foreign debts. Ghana's once booming economy, growing earlier at nearly five percent a year, had ground to a near standstill, currency

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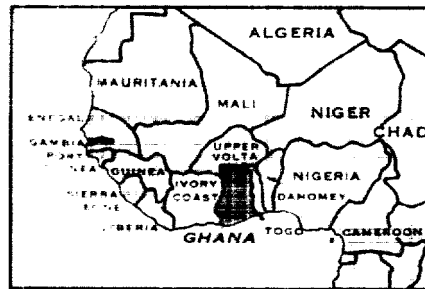
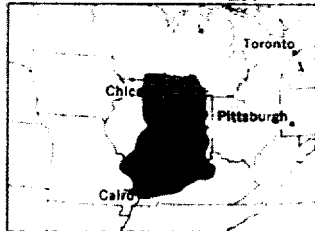
GHANA



*All tribe names shown
represent Akan-speaking people
except Ewe.*

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COMPARATIVE AREA



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was badly inflated, and unemployment was rising. Moreover, the country was saddled with numerous prestige projects and economically unworkable industrial enterprises, few of which had even remote promise of returning any significant portion of their initial costs.

The NLC, in one of its first major policy statements, vowed to repay all foreign debts. It immediately sought the help of Western nations in rescheduling payments, and for emergency assistance to deal with the most pressing domestic needs. The US, West Germany, and Canada provided some \$14 million in commodity assistance, and the International Monetary Fund arranged a \$36 million standby arrangement. The NLC was also moderately successful in acquiring additional aid, with Western disbursements increasing to \$38 million in 1968 and a projected \$69 million in 1969. In meetings with major Western creditors, principles were established for rescheduling most immediate obligations, and similar understandings were negotiated for smaller amounts owed to Communist creditors.

In cooperation with international fiscal planners, the NLC also instituted a series of austerity measures, including the dismissal—mostly from government jobs—of some 70,000 wage earners. Currency was devalued sharply, strict foreign exchange controls were instituted, and imports were severely curtailed. The NLC also clamped restrictions on repatriation of profits, and moved to divest itself of some economically unviable state enterprises.

Although these efforts—many of which exacted a stiff price from the Ghanaian people—halted the slide into economic chaos, massive problems remain. As a result of added interest from rescheduling and the accrual of new but essential obligations, Ghana's external debts, now over \$900 million, are actually higher than in

1966. Under the present repayment schedule, Ghana will be required to pay out nearly \$500 million to foreign lenders through 1975. The country also continues to have an annual foreign exchange shortfall, and there is more unemployment than when the NLC took over. The program for turning Nkrumah's visionary state enterprises into economically sound projects has moved slowly, and the moderate increase in foreign investment and assistance has not been sufficient to meet growing needs. As a result, development continues to languish, and economic growth is not expected to outstrip the population increase in the near future.

A NEW FOREIGN POLICY

The NLC made major changes in policy, which by the end of the Nkrumah era consisted mainly of strident condemnations of Western "neocolonialism" and an ever closer alliance with the Communist world. While claiming a non-aligned position in world affairs, the NLC has been generally pro-West, and especially pro-US.

Even the harshest critics of the Nkrumah regime were surprised at the extent of its involvement with Communist countries and the freedom that foreign Communists had been given in training African subversives on Ghanaian territory, as revealed by the NLC immediately after the coup. The NLC quickly expelled some 500 Soviet and 250 Chinese advisers and technicians, and closed the East German trade mission as well as the Cuban and Chinese embassies. In addition, trade with Communist countries, which had been increasing under the old regime, was cut back. Probably the clearest demonstration of the NLC's deep suspicion of Communist countries was provided by its seizure of two Soviet trawlers in the fall of 1968 in the belief that they were involved in an attempt to restore Nkrumah.

The NLC also made sharp revisions in Ghana's relations with its neighbors and with

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Africa as a whole. Nkrumah's schemes for a single African government joining the entire continent under his leadership had managed only to antagonize most other African states. The NLC, through negotiation and trade, moved to repair these badly impaired relations, and Ghana is now on good terms with all of its immediate neighbors. It recently concluded an important agreement to sell electric power to two of them, for example. Ill feelings persist only in Guinea and Zambia, whose presidents still consider Nkrumah the legal head of state. Guinea also provides a haven for the deposed president and his entourage.

THE POLITICAL SUCCESS STORY

The NLC's most significant achievement, and a first for Africa, has been the orderly return to civilian rule that it promised immediately after taking power. Although its preoccupation with day-to-day administration sometimes made restoration of a civilian government seem a dim prospect, the NLC in fact moved steadily toward that goal.

The council consulted readily with Ghana's long-ignored civil servants, and in mid-1967 introduced a cabinet of civilian commissioners to administer government affairs. A committee established in June 1966 to prepare a new constitution turned over a draft by the end of the year. An electoral commission appointed at the same time produced a series of recommendations on such thorny issues as the disqualification of former Nkrumahists. The commission's report engendered considerable controversy throughout 1967 and for a time even threatened to disrupt the NLC itself.

In January 1968, as public pressure mounted for visible evidence of the junta's intention to phase itself out, the NLC issued three decrees that set the course for a return to civilian rule. These

dealt with the disqualification problem, the composition of the constituent assembly that would review the constitution, and the appointment of a commissioner to establish election procedures. The assembly convened in December 1968 and active politicking began the following May.

The constitution eventually promulgated by the constituent assembly, a reasonably representative body, is an exceedingly eclectic document. It not only draws on the constitutions of Sweden, the US, India, and the UK, but also incorporates a number of indigenous traditional elements such as tribal chieftaincies. The separation and balance of powers are the constitution's chief features. Executive power is shared between the prime minister, as head of government, and the president, as chief of state with wide appointive powers. When parliament is dissolved, the president serves in place of the prime minister until a new membership is elected. During times of emergency, the president also has the authority to rule by decree, though in consultation with parliament. Parliament itself has wide powers over policy, and even the leader of the opposition is an ex-officio member of some important government councils.

In direct reaction to Nkrumah's roughshod ride over the legal system, the new judiciary's independence has numerous built-in protections. In addition, the Supreme Court has been given the power of judicial review, a unique feature among African constitutions. Moreover, the articles dealing with the independence of the judiciary are permanently exempted from amendment, as are the fundamental rights of citizens, the structure of parliament, and the institution of chieftaincy.

One last-minute change in the constitution was forced on the assembly by the NLC. This important alteration in the concept of the presidency temporarily establishes the three top NLC

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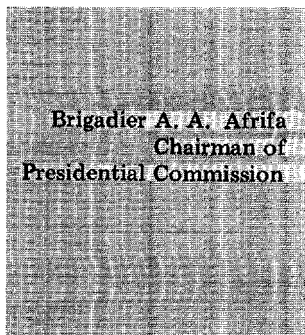
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members—Chairman Afrifa, Vice Chairman Harlley, and armed forces chief Ocran—as a presidential triumvirate in place of the single executive called for by the original constitution. This change was largely the result of Harlley's fears, which Afrifa was apparently quick to share, that NLC members might suffer at the hands of the victors in the elections. He also believed that the new government would need the continuity such an arrangement could provide.



Police Inspector General
J.W.K. Harlley
Vice Chairman of
Presidential Commission



Brigadier A. A. Afrifa
Chairman of
Presidential Commission



Maj. Gen. A.K. Ocran
Armed Forces Commander
and Member of
Presidential Commission



THE ELECTION

By the time the constitution was finally approved in August of this year, the election was only a week away. The campaign had begun long before, however, and had been carried into all parts of Ghanaian life, including the constituent assembly and the NLC itself. The contest quickly shaped up as a choice between the factions around Kofi Busia, who had led the opposition to Nkrumah before fleeing into exile in 1959, and Komla Gbedemah, who was a top political organizer and finance minister under Nkrumah before breaking with the dictator and fleeing the country in 1961.

Busia's Progress Party got the quickest start, drawing on the membership of the old United Party that had formed the chief opposition to Nkrumah. This support came mostly from Ghana's rural elements, particularly in the Akan-speaking areas, the home of Ghana's numerically largest cluster of tribes. Busia himself is from the royal family of a relatively small Akan-speaking tribe. His earliest political experience was gained defending the interests of the chiefs and the native middle-class cocoa entrepreneurs against the onslaughts of Nkrumah and his chief organizer, Gbedemah, both of whom had humbler origins and tended to pitch their appeal to workers and city dwellers. An articulate scholar, Busia has always been popular with Ghana's intellectuals.

Komla Gbedemah's National Alliance of Liberals, on the other hand, got off to a rocky start from which it never fully recovered. Throughout the campaign, Gbedemah's past association with Nkrumah cast a pall over his party, which was viewed by many as a stalking horse for a resurgence of Nkrumah's discredited party. Although Gbedemah was favored by vice-chairman Harlley, a majority on the NLC opposed him, as did a number of key army officers. Moreover, Gbedemah's opponents in the constituent assembly,

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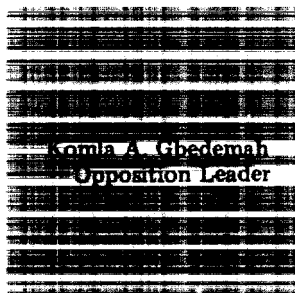
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spearheaded by Progress Party adherents, wrote a clause into the constitution barring from public office anyone whose honesty had been impugned by a government commission. This measure was aimed specifically at Gbedemah, who had been unable to explain some \$34,000 in income during his tenure as Nkrumah's finance minister.

The elections themselves were surprisingly orderly. Busia's party won a decisive victory, 105 of the 140 seats contested, while Gbedemah's demoralized forces were able to win only 29 seats. Although victorious in his own constituency, Gbedemah's right to sit in parliament is being challenged under the disqualification clause. He demonstrated consistent strength only in Ewe tribal areas, while Busia swept all seats in Akan-speaking regions. Gbedemah predictably denounced the Progress Party victory, but he and his followers apparently intend to accept the outcome and have pledged to function as a loyal opposition in parliament, at least for the moment. The election probably ended any hope that Nkrumah might still have entertained of returning, but the tribal nature of Busia's victory does not bode well for the future.

The victors have been the political outs for nearly two decades, and many of them suffered personally under Nkrumah. Many of them see faces still in the government whom they associate with the old oppression, and Busia will have to exert strong leadership to prevent a purge. Moreover, the campaign inflamed tribal passions, and Ewe tribesmen probably feel great uncertainty as the new government takes over. Tribalism has also been rejuvenated in the military, where recent command changes by NLC chairman Afrifa—who strongly supported Busia—replaced key Ewe officers with Akans.

On the positive side, Busia's overwhelming victory has clearly eased the transition from mili-



tary to civilian rule. The decisive win also lessens the potential problems posed by Gbedemah's apparent ineligibility, as well as the hostility toward him of some army officers. Had Gbedemah won, or even run a close second, Ghana faced the distinct possibility of a constitutional crisis that might well have led to a postponement of civilian rule.

OUTLOOK

Busia's cabinet, a mixed group of old-line party stalwarts and younger technicians, is likely to be moderate in both foreign and domestic affairs. The prime minister apparently sought to head off a potential challenge by including a large number of younger, ambitious party members in second-level positions. Busia himself has yet to be tested as a leader and administrator, however, and his initial months in power will be crucial. Some old-line party members have already grumbled about his failure to consult them in choosing his ministers and for not appointing more of them to key positions.

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Economic rehabilitation will continue to be Ghana's central problem as it moves into the Second Republic. Busia has said he will re-examine Ghana's foreign debts and has hinted he might repudiate those he considers illegal—presumably those that were either economically unsound to begin with or are heavily tainted by corruption. While he might be able to get away with some repudiation, this would not solve the problem and could lead to economic reprisals by creditor countries.

It is difficult to see how Ghana can make any real progress in terms of economic growth over the next few years without further rescheduling or refinancing its external debt. In any event, the necessity for continuing austerity will aggravate public discontent, particularly in the labor movement, which was restive during the NLC's tenure. Busia has asked workers to repress their grievances until he is able to find ways to meet their demands, and has promised to tackle rising unemployment through some sort of government employment scheme.

Aside from economic problems, Busia's government is also threatened by several other factors, not the least of which is tribalism. Vindictive actions by the Progress Party could bring about enough tribal violence to precipitate a new military intervention. The government also faces the problem of the military itself, which, having once taken power, will remain a potential threat to future civilian regimes. This problem has been complicated by the NLC's reluctance to take the hard decisions needed to pare down the oversized army, which costs close to \$50 million annually to maintain. Any serious attempt by the new administration to cut back this expenditure carries dangerous implications.

The Busia government may eventually be able to ease out the military-police triumvirate that now holds the presidential office, but not without at least tacit agreement from the army. Busia is not likely to rock this particular boat in the immediate future, especially inasmuch as two of the triumvirate—Afrifa and Ocran—are likely to support his program. The brash and mercurial Brigadier Afrifa presents a problem in the longer term, however. Afrifa has long admired Busia and apparently supports him fully at this time, but his own political ambitions and his impetuous nature could cause difficulties.

In foreign policy, Busia will continue and probably expand the pro-West trend set by the NLC. He will be looking particularly to the UK and the US for major support, although he may also explore wider relations with France. Formal relations will be maintained with the Communist world, but its close association with the Nkrumah regime is likely to hurt the Communist cause in Ghana for some time to come. Busia will also seek to expand relations with his French-speaking neighbors, particularly Ivory Coast, whose president and policies he strongly admires. He is not likely to follow Ivory Coast's lead in providing strong support for Biafra in the Nigerian civil war, however, although Ghana's support for the Federal Government may be modified somewhat.

Overall, it is difficult to be optimistic about the survival prospects for Ghana's second venture in Western-style democracy. Despite the presence of some favorable signs, the possibility of reversion to authoritarianism cannot be discounted. As in the case of the parliamentary regime bequeathed to Ghana by the British in 1957, which was soon emasculated by Nkrumah, the new system remains essentially a foreign import that

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lacks indigenous roots. There is no convincing evidence that Ghana's present politicians have the broad understanding and acceptance of the restraints required to make the system work. Once in power, African governments have invariably

found ways to get around even the most deeply entrenched constitutional guarantees. Should this happen again in Ghana, it might well invite a new intervention by the army, which has come to view itself as the country's final guide and guardian.

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